

PRELIMINARY DOCKET: SPECIAL COMMISSION HEARING
TUESDAY – SEPTEMBER 10, 2002

9:00 A.M. – Porter Hall
1220 So. St. Francis
Santa Fe, New Mexico

The Land Commissioner's designee for this hearing will be Jami Bailey.

The minutes of the August 30, 2002, Commission hearing will be adopted.

This Commission may conduct a closed executive session during which it will deliberate in connection with an administrative adjudicatory proceeding pending before the Commission or consult with Commission counsel under the attorney-client privilege concerning threatened or pending litigation in which the Commission is or may become a participant.

CASE 12622: De Novo – Continued from August 30, 2002, Commission Hearing.

Application of Nearburg Exploration Company, L.L.C. for two non-standard gas spacing and proration units, Lea County, New Mexico. Applicant seeks an exception to the spacing provisions of Division Rule 104.C (2) to create two non-standard 160-acre gas spacing and proration units within the East Grama Ridge-Morrow Gas Pool comprising: (i) the NE/4 of Section 34, Township 21 South, Range 34 East, to be dedicated to the Nearburg Producing Company's existing Grama Ridge East "34" State Well No. 1 (API No. 30-025-34948), located at a standard gas well location 1548 feet from the North line and 990 feet from the East line (Unit H) of Section 34; and (ii) the SE/4 of Section 34 to be dedicated to the EOG Resources, Inc. operated Llano "34" State Well No. 1 (API No. 30-025-26318), located at a standard gas well location 1650 feet from the South line and 660 feet from the East line (Unit I) of Section 34. These two wells are located approximately 17 miles west of Eunice, New Mexico. Upon application of Nearburg Exploration Company, L.L.C., this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 12908-A (Severed and Reopened): In the matter of the hearing called by the Oil Conservation Division for an order creating, contracting, re-designating, and extending the vertical and horizontal limits of certain pools in Lea County, New Mexico.

(a) CONTRACT the East Grama Ridge-Morrow Gas Pool (Pool Code 77690) in Lea County, New Mexico by the deletion of the following described area:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 34: E/2

(b) EXTEND the Grama Ridge-Morrow Gas Pool (Pool Code 77680) in Lea County, New Mexico to include:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 34: E/2